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A. 211 CMR 30.05: Notice of Intention and Securing of Approval

Who May Reinsure/Scope

_____ Any authorized life insurance company which pursuant to the authority granted by Massachusetts law intends either by itself or together with other insurers through pooling arrangements or otherwise to reinsure property and casualty risks of every kind and description must file a notice of intention in writing to the Commissioner.

Contents Of Notice Of Intention

The notice of intention required to be filed with the Commissioner shall set forth:

- _____ 1. the proposed plan of operations,
- _____ 2. the qualifications of its staff to engage in this reinsurance business,
- _____ 3. proof that its charter and, in the case of a foreign life insurer, the laws of its place of domicile authorize it to engage in such business
- _____ 4. proof, in the case of a foreign life insurer, that the insurance regulatory authorities of its place of domicile have been informed of its intended participation and have not objected to such participation, and that it has posted the required deposit.

Prior Approval Required

An advance written approval of the Commissioner must be received prior to writing any reinsurance business.

B. 211 CMR 30.06: Financial Requirements

Separate Accounting Of Property And Casualty Reinsurance Business

The conventional operations of such life insurance companies shall, to the extent possible, be accounted for separately from its property and casualty reinsurance business. Each life insurance company proposing to engage in such business shall account for this business as a separate line of business.

Applicability of Law

Life insurers transacting this reinsurance business shall be subject to the same statutory provisions and administrative rules relating to net annual premium volume and the maintenance of reserves for unearned premiums and unpaid losses as are applicable to fire and casualty insurers transacting this reinsurance.

Financial Requirements

_____ As a condition precedent to approval of the entry of a life insurer into the property and casualty reinsurance business, the insurer shall demonstrate that the company maintains unallocated surplus of not less than \$1 million and also in the case of a foreign insurer, unless it maintains an unallocated surplus of \$1 million and has made a deposit in an amount and subject to the conditions specified in MGL c. 175, §151 clause 2, subdivision (3)(c).

C. 211 CMR 30.09: Pooling Agreements

Filing Requirements

_____ Pooling agreements for each life insurer engaging in the property and casualty reinsurance business shall be filed with the Commissioner for her advance written approval.

Standard For Approval Of Agreement

The Commissioner shall approve the agreement upon her making a determination that:

_____ (a) the agreement conforms to the requirements of Massachusetts Law and 211 CMR 30.00;

_____ (b) the agreement will not unreasonably restrain competition or tend to create a monopoly;

_____ (c) there exists a reasonable basis for the admission of additional members; and

_____ (d) the agreement permits any member to accept reinsurance on its own behalf outside the pool.

Appointment of Agent or Manager

_____ The pooling agreement may provide the appointment of an agent or manager to act independently or on instructions from the members in the acceptance of risks and the establishment of premiums thereon.